

July 20, 2016

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Ontario Energy Board
Applications Division
PO Box 2319
#2700, 2300 Yonge Street
Toronto, Ontario M4P 1E4

**Attention: Kristen Walli
Board Secretary**

Dear Ms. Walli,

**Re: Pembina Infrastructure and Logistics LP ("Pembina")
Pembina's Further Written Reply Submission
Board File No.: EB-2015-0032**

In accordance with the Ontario Energy Board's directions, please find attached Pembina's further written reply submission with respect to the above referenced application as revised.

If you require additional information or have any questions with regards to this filing, please contact Melissa Lundy, Regulatory Advisor at (403) 231-3153 or by email at mlundy@pembina.com.

Sincerely,



Melissa Lundy
Regulatory Advisor

Enclosure

cc: List of Intervenor in EB-2015-0032



**Pembina Infrastructure and Logistics LP
EB-2015-0032**

Further Written Submission of Pembina Infrastructure and Logistics LP

On January 22, 2015 Pembina Infrastructure and Logistics LP (“Pembina”) applied to the Ministry of Natural Resources and Forestry (“MNRF”) pursuant to Section 11(2) of the *Oil, Gas and Salt Resources Act* (“OGSRA”) for permits to drill wells in Pembina’s salt solution mined caverns within 1.6 km of Enbridge Gas Distribution Inc.’s Dow Moore Designated Storage Area in the Township of St. Clair, Lambton County. More particularly, the application sought authorization to convert currently unused Cavern 45 in 2015 to hydrocarbon storage by abandoning the current entry well and drilling two new entry wells; and to convert 10 other unused salt solution mining caverns to hydrocarbon storage over the 15 years beyond 2015. The proposed expansion would increase onsite hydrocarbon storage capacity at the Corunna Facility from the 10 existing caverns to a total of 21 caverns.

Pursuant to Section 40 of the *Ontario Energy Board Act, 1998* on February 6, 2015 the MNRF referred the application to the Ontario Energy Board (“OEB”) for a report to the Minister. The OEB provided notification and stakeholder engagement directions, which the OEB advised have been complied with. The OEB issued three procedural orders and provided for written interrogatories and responses to same, followed by follow-up application disclosures, further interrogatories and responses to those as well.

On September 9, 2015, Pembina requested that the OEB place the proceeding in abeyance so that

- a) it could obtain and produce a complete Geomechanical Assessment; and
- b) it could file further evidence on Risk Assessment in order to address the deficiencies identified by the MNRF in its written submissions.

On September 11, 2015 the OEB granted Pembina’s request for an abeyance of the proceeding.

On April 29, 2016, Pembina requested that the OEB pull the application from abeyance and amended the application to only request the conversion of Cavern 45. The OEB accepted Pembina’s requests and processed the revised application. On March 28, 2016 Pembina submitted the Geomechanical Assessment for the Corunna Facility and on April 20, 2016, Pembina filed its Risk Assessment for the proposed Cavern 45 conversion.

During the week of June 13, 2016 the MNRF and OEB provided written interrogatories and on June 29, 2016 Pembina provided their written responses to the interrogatories.

On July 15, 2016 the MNRF and the OEB provided their further written submissions and on July 20, 2016 the MNRF provided a further written submission in response to the OEB’s written submission.

OEB Written Submission

Having considered and tested the evidence, the OEB staff stated “that Pembina’s application be approved.” However, the OEB’s staff view the approval of Pembina’s application as conditional on having on the record MNRF’s confirmation that it has no concerns with the impacts of the Project on the adjacent Enbridge Dow Moore Pool. In addition, the OEB must have on record of this proceeding, that the MNRF’s concerns have been satisfied.

**MNRF Written Submissions**

In their submission dated July 15, 2016, the MNRF stated that they are “satisfied that the more recently submitted Geomechanical Assessment and Risk Assessment reports adequately address the deficiencies the MNRF had raised in their September 9, 2015 submissions.” In conclusion the MNRF, based on the information and evidence provided, “has no objections with the application, as revised.”

Today, the MNRF filed an additional submission on Pembina’s application on OEB record. The MNRF stated that they “were satisfied with the application materials, as filed, including the updated reports were in accordance with the requirements of CSA Z341 and the Provincial Standards.” In addition, the MNRF stated they “did not have concerns regarding potential impacts to the adjacent Enbridge Dow Moore Designated Storage Pool.”

Pembina’s Conclusion

Based on the written submissions filed on behalf of the OEB and MNRF and as the MNRF indicated in their written submissions that they had no objections with the application, we strongly believe that this satisfies the OEB’s requests as indicated in their final written submission. Accordingly, we kindly request that the OEB approve Pembina’s application as revised.

All of which is respectfully submitted.

Dated at Calgary, Alberta this 20th day of July, 2016.

Yours truly,

Melissa Lundy
Regulatory Advisor